

FUND 591

PUBLIC SCHOOL HEALTH AND FLEXIBLE BENEFITS

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2003 Advertised Budget Plan, as approved by the Board of Supervisors on April 29, 2002:

- ◆ The Board of Supervisors made no changes to the FY 2003 Advertised Budget Plan.

The following funding adjustments reflect all approved changes to the FY 2002 Revised Budget Plan from January 1, 2002 through April 22, 2002. Included are all adjustments made as part of the FY 2002 Third Quarter Review:

- ◆ The Board of Supervisors approved the School Board's FY 2002 Third Quarter Budget Review request to increase expenditures by \$7,797,366.

County Executive Proposed FY 2003 Advertised Budget Plan

Purpose

The Health and Flexible Benefits Fund is a self-insurance fund that provides for health care costs for employees electing the Health Choice managed care program, and payment of eligible health care and dependent care expenses for employees participating in the flexible spending account program. The Health Choice plan is a managed health care plan administered by the Prudential Insurance Company. Employee and employer contributions to the Health Choice Plan are deposited in this fund and employee claim costs and administrative expenses are paid from this fund. FY 2003 expenditures are estimated at \$147,234,290.

It should be noted that the following fund statement reflects the FY 2003 Fairfax County School Board's Advertised Budget. Adjustments to this fund, adopted by the Fairfax County School Board on February 7, 2002, will be discussed in the Overview Volume of the FY 2003 Advertised Budget Plan.

FUND 591

PUBLIC SCHOOL HEALTH AND FLEXIBLE BENEFITS

FUND STATEMENT

Fund Type G50, Internal Service Funds

Fund 591, Public School Health
and Flexible Benefits

	FY 2001 Actual ¹	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan ²	FY 2003 School Board's Advertised ³	FY 2003 Adopted Budget Plan
Beginning Balance	\$11,362,077	\$11,161,180	\$8,279,428	\$4,464,235	\$4,464,235
Revenue:					
Employer/Employee Premiums	\$78,227,312	\$75,791,885	\$93,709,099	\$123,735,294	\$123,735,294
Retiree/Other Health Premiums	12,393,527	19,210,906	17,050,121	14,348,286	14,348,286
Aetna Stop-Loss Refund	2,997,637	0	0	0	0
Interest Income	1,253,812	1,120,677	560,000	560,000	560,000
Flexible Account Withholdings	3,351,947	3,515,115	3,515,115	3,833,233	3,833,233
Total Revenue	\$98,224,235	\$99,638,583	\$114,834,335	\$142,476,813	\$142,476,813
Transfers In:					
School Operating Fund (090)	\$254,121	\$268,906	\$268,906	\$293,242	\$293,242
Total Transfers In	\$254,121	\$268,906	\$268,906	\$293,242	\$293,242
Total Available	\$109,840,433	\$111,068,669	\$123,382,669	\$147,234,290	\$147,234,290
Expenditures:					
Health Benefits Paid	\$61,157,575	\$65,120,096	\$73,982,301	\$95,182,382	\$95,182,382
Premiums Paid	27,919,098	27,656,661	32,764,344	30,535,665	30,535,665
Health Administration Expenses	6,690,092	5,736,720	6,596,327	7,511,775	7,511,775
Flexible Accounts Reimbursements	3,315,075	3,245,721	3,479,964	3,769,883	3,769,883
FSA Administrative Expenses	79,165	95,498	95,498	116,594	116,594
IBNR ²	9,000,000	9,600,000	11,000,000	14,063,112	14,063,112
IBNR Prior Year Credit	(6,600,000)	(8,800,000)	(9,000,000)	(10,536,009)	(10,536,009)
Premium Stabilization ³	0	8,413,973	4,464,235	6,590,888	6,590,888
Total Expenditures	\$101,561,005	\$111,068,669	\$123,382,669	\$147,234,290	\$147,234,290
Total Disbursements	\$101,561,005	\$111,068,669	\$123,382,669	\$147,234,290	\$147,234,290
Ending Balance	\$8,279,428	\$0	\$0	\$0	\$0

¹ FY 2001 Actuals reflect audit adjustments included in the FY 2001 Comprehensive Annual Financial Report (CAFR). The FY 2001 Audit Package detailing all of these changes were included in the FY 2002 Third Quarter Review.

² The FY 2002 Revised Budget Plan reflects adjustments adopted by the Fairfax County School Board on March 12, 2002, during their FY 2002 Third Quarter Review. The Fairfax County School Board adjustments were officially reflected in the County's FY 2002 Third Quarter Review, and approved by the Board of Supervisors on April 22, 2002.

³ The Premium Stabilization reserve is appropriated for budgeting purposes to offset any fluctuations in health insurance costs during the fiscal year. However, it should be noted that the reserve is assumed to be carried forward as beginning balance for FY 2003.